

**OFFICIAL FILE  
ILLINOIS COMMERCE COMMISSION**

**ORIGINAL**

ILLINOIS  
COMMERCE COMMISSION

STATE OF ILLINOIS

MAY 4 10 51 AM '00

ILLINOIS COMMERCE COMMISSION

CHIEF CLERK'S OFFICE

INTERSTATE POWER COMPANY

Application of INTERSTATE POWER  
COMPANY for a Protective Order Under  
Section 4-404 of the Illinois  
Public Utilities Act governing the  
disclosure of certain information  
submitted with Form 21 ILCC Annual  
Report

Docket 00-0331

**PETITION**

To the Illinois Commerce Commission:

Interstate Power Company ("IPC" or "Interstate"), hereby petitions the Illinois Commerce Commission ("Commission") for entry of an order under Section 4-404 of the Public Utilities Act, 22 ILCS §5/4-404, affording confidential and proprietary treatment of certain information submitted by IPC in its 1999 Form 21 ILCC Annual Report, which was filed on March 28, 2000. In support of this Petition, IPC states:

1. IPC is a corporation duly organized under the laws of the State of Delaware on April 18, 1925, with its principal office located at 1000 Main Street, Dubuque, Iowa 52001. IPC holds an Amended Certificate of Authority issued by the Secretary of State of Illinois authorizing Interstate to engage, among other things, in the electric and gas public utility businesses in the State of Illinois. IPC is a "public utility" within the meaning of 220 ILCS §5/3 -105 of an Act entitled "An Act Concerning Public utilities", as amended, 220 ILCS §5/1-102 et seq. now in force in Illinois (which Act is hereinafter sometimes called the Illinois Public Utilities Act" or "Act"). IPC is an investor-owned gas and electric utility engaged principally in the distribution of natural gas and generation, transmission and distribution of electric energy in a 10,000 square mile service area in northwest Illinois, northeast and north central Iowa and southern Minnesota. IPC distributes electricity to approximately 160,000 customers. Natural gas

is distributed to approximately 47,000 customers in 37 incorporated communities. Interstate distributes natural gas to approximately 5,000 customers in five incorporated and five unincorporated communities in the Illinois counties of Carroll and Whiteside. The largest incorporated community served in Illinois is Savanna, with a population of 4,529.

2. IPC filed its 1999 Form 21 ILCC on March 28, 2000 with certain information requests in this petition to be treated as proprietary and confidential. The information relates to IPC's actual gas purchases and the prices paid by IPC, all as more particularly described in the Verification and Affidavit of Eliot Protsch, which has been marked as Petition "Exhibit A", attached hereto and made a part hereof. Petition "Exhibit B" is a copy of the specific pages, which were filed on March 28, 2000 that this Petition requests the Commission to treat on a confidential basis.

3. In his Affidavit, Mr. Protsch states that pages 708, 708.1, 708.2, 709, 709.1 and 709.2 Form 21 ILCC should be treated on a confidential basis. The information on these pages which were originally included in IPC's 1999 Form 121 ILCC filing was the price at which gas was purchased and the identity of the seller. Mr. Protsch states that

"Interstate secures competitive bids for the natural gas it procures. If the successful bid purchase price or other bid terms were disclosed to a competitor, it would provide competitors an advantage in knowing what terms were successful and knowing terms generally offered by the successful bidder. Public disclosure would discourage a non-pipeline supplier from furnishing a low bid which it may be willing to submit in order to keep the business of Interstate. It is generally known that the public disclosure of such information create a level below which the competitor with knowledge of other competitors' bids will refuse to bid or negotiate. The ability of competitors to obtain and use the foregoing information will tend to set a base amount below which bids will not be received or below which terms will not be negotiated. The end result will be higher bids, perhaps fewer bidders and eventually higher costs to the customer, which furthers no public purpose. Interstate has entered into contracts and services whose prices, if revealed, would disadvantage Interstate competitively and adversely affect its customers."

4. Pursuant to Section 5-109 of the Public Utilities Act and 83 Ill. Adm. Code 210.10, IPC is required to file certain information for 1999 on Form 21 ILCC Annual

Report as prescribed by the Commission. The Commission's rules, as set forth in 83 Ill. Adm. Code 200.430, allow for the issuance of a protective order to protect the confidential, proprietary or trade secret nature of any data, information, or studies. The information described above in Paragraph 3 constitutes confidential and proprietary information. The disclosure of the information described in Paragraph 3 would place IPC at a significant competitive disadvantage in the competitive gas markets by disclosing to its potential sellers information about IPC's prices paid for the gas which it resells. The other purchasers engaged in the competitive wholesale gas market are under no similar obligation to disclose this information.

5. The applicable Sections of the Public Utilities Act are Section 4-404 (220 ILCS 5/4-404) and Section 5-109 (220 ILCS 5/5-109), and the Illinois Freedom of Information Act also is controlling. Section 4-404 of the Act provides that the Commission shall:

provide adequate protection for confidential and proprietary information furnished, delivered or filed by any person, corporation or other entity.

Section 5-109 of the Act states, in relevant part:

All reports made to the Commission by any public utility and the contents thereof shall be open to public inspection, unless otherwise ordered by the Commission.

Section 7 (g) of the Illinois Freedom of Information Act, 5 ILCS 140/7(g), exempts from disclosure:

Trade secrets and commercial or financial information obtained from a person or business where such trade secrets or information are proprietary, privileged or confidential, or where disclosure of such trade secrets or information may cause competitive harm...

6. IPC as historically received confidential treatment of the information referenced above by the Iowa Utilities Board, applicable to its filing of Form IG-1, pursuant to Iowa Code Section 22.7(6). The gas purchases made by IPC for two of its Iowa service areas also are used to serve its PC needs to be able to obtain comparable confidential treatment in both Iowa and Illinois.

7. IPC asks the Commission to authorize those sections of the 1999 Annual Report attached hereto as Exhibit B to be exempt from public disclosure under Section 7 (g) of the Illinois Freedom of Information Act and Section 5-109 of the Act and to be provided protection under Section 4-404 of the Act. Because the same type of information will be required to be filed each year, IPC requests that this determination be made applicable to its annual, report filings for the next 5 years. The rationale supporting proprietary and confidential treatment will continue to exist, and will increase as gas sales markets become more competitive in the future. Approval of five-year confidentiality treatment is administratively efficient and will save the time and resources of the Commission and the utility.

WHEREFORE, Interstate Power Company requests that the Commission issue a Protective Order in accordance with the provisions of Section 4-404 of the Public Utilities Act, 220 ILCS §5/4-404, treating the pages from IPC's 1999 Form 21 ILCC in Exhibit B hereto as proprietary and exempt from public disclosure, extending such treatment to the same information to be filed by IPC in its Form 211 ILCC for the next five years.

DATED at Cedar Rapids, Iowa this 14th day of April, 2000.

Respectfully submitted,

INTERSTATE POWER  
COMPANY

By Kent M. Ragsdale  
Kent M. Ragsdale  
Managing Attorney  
200 First Street, S.E.  
P.O. Box 351  
Cedar Rapids, IA 52406  
Ph: 319.398.7765  
April 14, 2000

## **EXHIBIT A**

**STATE OF ILLINOIS**  
**BEFORE THE ILLINOIS COMMERCE COMMISSION**

IN RE:

INTERSTATE POWER COMPANY                      DOCKET

**VERIFICATION AND**  
**AFFIDAVIT IN SUPPORT OF REQUEST FOR CONFIDENTIALITY**

I, Eliot Protsch, under oath depose and state that I am Executive Vice President, Energy Delivery, of Interstate Power Company (Interstate), aid as such, an Officer. In this capacity I am familiar with Interstate's natural gas supply procurement, I have read the foregoing Petition, am knowledgeable of the facts stated therein and that the facts stated therein are true and correct to the best of my knowledge and belief.

Further, in the foregoing employment capacity, I am personally knowledgeable of the adverse impact to the public which would result from the disclosure of the specific purchase price information on pages 708, 708.1, 708.2, 709, 709.1 and 709.2 in Interstate's 1999 Form 21 ILCC Filing.

Interstate secures competitive bids for the natural gas it procures. If the successful bid purchase price or other bid terms were disclosed to a competitor, it would provide competitors an advantage in knowing what terms were successful and knowing terms generally offered by the successful bidder. Public disclosure would discourage a non-pipeline supplier from furnishing a low bid which it may be willing to submit in order to keep the business of Interstate. It is generally known that the public disclosure of such information creates a level below which the competitor with knowledge of other competitor's bids will refuse to bid or negotiate. The ability of competitors to obtain and use the foregoing information will tend to set a base amount below which bids will not be received or below which terms will not be negotiated. The end result will be higher bids, perhaps fewer bidders and eventually higher costs to the customer, which furthers no

public purpose. Interstate has entered into contracts and services whose prices, if revealed, would disadvantage Interstate competitively and adversely affect its customers.

The foregoing information is provided in support of Interstate's Request for Confidentiality under the provisions of the Illinois Public Utilities Act, 20 ILCS §5/4-404.



Eliot Protsch  
Executive Vice President, Energy Delivery

Subscribed and sworn to before me this 14<sup>th</sup> Day of April, 2000.



Notary Public

